

~~SECRET~~NPIC/CSD-186/67
21 March 1967

MEMORANDUM FOR: Assistant for Technical Development/NPIC

ATTENTION: [REDACTED]

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SUBJECT: Evaluation of Materials Handling Proposals

1. The seven materials handling proposals submitted to this Division have been reviewed and evaluated. These proposals were - [REDACTED] The one proposal that answered all requirements best was that submitted by the [REDACTED]

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2. The proposals were reviewed and evaluated by a team composed of Staff and Branch Chiefs. The selections, ratings and comments resulting from their efforts are included as attachments. Also included as attachments, are copies of the seven proposals.

[REDACTED]
/ DINO A. BRUGIONI
Chief, Collateral Support Division,
NPIC

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Attachments:

- 1 - Rating Sheet
- 2 - Rating Work Sheet
- 3 - Narrative
- 4 - Seven Proposals Listed Above

Distribution:

- Orig. & 1 - Addressee w/atts
 - 1 - NPIC/CSD/SAS w/atts (Minus #4)
 - 1 - NPIC/CSD/SBB w/atts (Minus #4)
 - 1 - NPIC/CSD/NBB w/atts (Minus #4)
 - 1 - NPIC/CSD/Ref w/atts (Minus #4)
 - 2 - NPIC/CSD w/atts (Minus #4)

GROUP 1
Excluded from automatic
downgrading and
declassification

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Attachment #1

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Collateral Support Division
Proposal Evaluation
Materials Handling Study

Proposals In Order of Preference)	Evaluation Ratings* (Div. Averages)			
	Understanding of Problem	Soundness of Approach	Compliance with Requirements	Special Factors
	4.8	4.8	4.8	4.8
	4	4	4	3.8
	4	4	3.7	4
	4	3.8	3.6	3.8
	3.7	3.7	3.5	3.7
	3.5	3.5	3.7	3.5
	2.5	2.7	3.0	3.0

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*Ratings - (1) Unsatisfactory
(2) Poor
(3) Average
(4) Very Good
(5) Excellent

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ATT#2

INSTRUCTIONS: Grade each proposal in terms of the major items listed below, giving consideration to ideas such as those in the sub-paragraphs. Grade each major item 1 through 5 based on (1) Unsatisfactory; (2) Poor; (3) Average; (4) Very Good; (5) Excellent.

- Level of comprehension of the problem areas as defined in the Development Objective (2.1, 2.2, 2.3).

opment	SAT	4						5	4
	SAT	5						5	5
	M2	2	3	5	3	3	3	5	4
	REF	5	5	3	3	5	5	5	3
	OC	4	5	4	2	4	5	5	4
AVERAGE	4	3.7	4	2.5			3.5	4.8	4

- Technical quality of their approach - does it appear to fill the operational voids - how specific does the approach relate to NPIC problems.

	SBS	1						5		4
	SBB	5	2	5	3			5		4
	MBB	3	3	4	3			3		5
	REF	2		3	5			5		3
	OC	4	5	3	4			5		4
	AVERAGE	3.0	3.7	4	2.7			3.5	4.5	4

- Does the proposal comply with the requirements as defined in the Development Objective (4.0).

SBS	4	3	5	7		3	5		4
SDB	5	3	3	3		3	4		4
NBB	3	3	3	5		3	4		5
HP	2	4	3	5		5	5		3
OC	4	4	4	3		4	5		4
AVERAGE	3.6	3.5	3.7	3.0		3.7	4.8		4

- Identification and solutions of Phase I and Phase II - does the bidder realize the possibility or existence of interface with other programs - is the level of effort commensurate with time estimates - does the proposal cover the alternative method approach of conceptual design in Phase I and detailed system configuration in Phase II.

	MS	4						5		4
adder	SS	5	3	5	3			5		4
ams -	NDB	3	3	4	3			5		4
	Ref	3	4	3	3			4		3
n in	OC	4	5	3	3			4		3
	AVERAGE	3.8	3.7	3.7	3.0			3.5	4.8	3.8

OVERALL AVERAGE

- In addition to the above ratings, it is requested a comprehensive paragraph (s) be submitted on each proposal covering details of the major items, relative importance of the major problems as seen by the evaluator and how the bidder proposes to handle them, any knowledge of the company such as past contracts, competence of proposed personnel, program management, overrun history, consultants, sub-contractors, etc. Generally, any information you wish to submit not covered above.

Attachment #3

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Materials Handling Study - Review Narrative

1. [] - Very impressive proposal. They are well known and have had several successful contracts with the government and private industry. [] primarily is a consultant company and not a producer of hardware. This is very desirable since objectivity in selection of one system of equipment over another can be presumed. The caliber of personnel to be assigned to the contract is impressive and they maintain a large staff of personnel here in Washington.

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There are several very interesting features to the [] proposal most of which are good. First, the personnel assigned to the project are of first order with highly relevant qualifications. The project director, [] apparently is well known in this building, having served on [] Optics Panel and [] special Ad Hoc Panel. Morenoff, further, was an Agency employee for three years, including stints with [] and as a special assistant to the DCI. Dr. [] set up FMSAC for the DDS&T. Other personnel on the project have had extensive experience in setting up data handling systems for ACIC, FICPAC, etc.. The materials involved were precisely the materials that will be involved with our contract, i.e., maps, charts, TTIs, open source, PI reports, etc.. A second interesting feature was concerned with the 117L program. Apparently, [] personnel have worked on this program with [] and the AF Systems Command when the 117L program was going full swing. Another interesting feature of the [] proposal is their "center" concept. They have set up and installed several data handling systems based on the "center" or one-stop-shop. This includes a variety of data files, maps, charts, reports, etc. and has included target dossiers.

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One minus feature of the contract is the [] proposal to call in high-powered outside consultants, normally a very expensive procedure. [] Dean of the Graduate School of Library Sciences at the University of Chicago is one consultant. [] Director of the Optical Sciences Center at the University of Arizona is another. This panel of consultants, like the [] is very expensive. On the whole the [] should be considered the Number 1 candidate.

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2. [] - Although [] emerged number two with the rating system employed we do not recommend [] for the following reasons:

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Their proposal exactly fits our needs, it uses our terminology, and parrots our ideas on data handling. It should, [] conducted a similar study for us over in the Steuart Building with disastrous

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results, replete with several overruns. The four people who will be assigned to the project and are scheduled to spend 85% of their time on this program are not nearly as qualified as those employed by the above company. They are:

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3. [redacted] is oriented toward the engineering and production of hardware. Again, [redacted] approach is a valid one and compares fairly well with the requirements as defined in the Development Objectives. However, they seem to be too much PI oriented and not enough is devoted to the problem of the materials to be handled. In addition, we feel an attempt has been made (as in the case of [redacted] to overwhelm us with a lot of technical gobbledegook, including mathematical formulas on image parameters, the tech specs on microfiche, three dimensional image viewing, etc., etc..

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The background of the personnel assigned to the program is almost all engineer oriented with highly technical backgrounds. We feel that [redacted] with its multi-sensor viewers (as good as it is), Electro-optical Rectifiers, etc. just should not be submitting a proposal on an intelligence materials handling contract.

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4. [] is another engineer/hardware oriented firm which has now gone into the business of selling operations and systems analysis (with much outside help). The [] proposal is technically very good in that they describe what we are already doing. This, of course, is based on [] personnel having already studied NPIC in connection with the IIS contract. This means that they probably have preconceived notions of what is needed and, in fact, they state this when they say that essentially the same IIS personnel will be assigned to the materials handling study (1) to benefit by their background, and (2) to insure an interface into the IIS. This could result in the [] proposal being too computer (i.e., digital) oriented which could be to our detriment. Moreover, [] proposes to bring in [] again. In addition to [] all would have a piece of the pie. Again over-seeing the entire project would be [] and four others who constitute an "Advisory Panel." This approach would be very expensive indeed. Further, [] proposes to complete both Phase I and Phase II in 15 months without real customer reaction to Phase I. We feel this is unrealistic and that it will take a couple of months to digest Phase I, suggest changes, review changes made, etc., etc., before Phase I acceptance. This would mean overruns of Phase II. One additional reason why [] should not get the contract is that if the IIS contract is a dud so would the Materials Handling System be since this would be tied in so closely. Moreover, bringing in [] would be a good check against [] It would make them work that much harder on the IIS.

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5. [] approach, like most of the others, is almost impeccable. They appear to stress effectiveness both in terms of user benefits and cost. Cost/benefit techniques will be a key consideration in Phase II - Evaluation of System Alternatives. One surprising point of interest, however, is that the proposal did not come to grips with the chip problem like the other proposals.

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Two of the greatest factors favorable to [] are: 1) They sell nothing but software, and 2) they are non-profit. Long on systems and operations analysis experience (some 15 years), there can be no doubt that [] would do an excellent job.

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One unrealistic (although possible) statement is concerned with the project schedule. [] proposes a two-month overlap between Phase I and Phase II, thus anticipating completion of the project in 15 months. They fail, we believe, to allow for NPIC reaction to the final report of Phase I, changes, etc., to the report and final acceptance. Thus the

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project schedule will really be completed in about 20 or 21 months. This is important because we are talking about overruns and therefore more money. On the whole, though, [] proposal is excellent; and they have much experience in installing information centers. They have experience in operating info systems, processing open source Soviet literature, IRs, special collections and files, selective dissemination of info, etc., all of which concern us.

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Another very interesting point concerns [] who will be on the project team. [] has experience in microimagery reading devices and xerographic applications to photorepro problems. This experience might be applied in several of our applications.

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6. [] contract relationship as described in Para. 3.3.2. (Pg. 17) will be, regardless of disguise, an [] venture. It is doubtful whether [] really understands the problem of moving collateral materials to the photointerpreter. Their approach leaves much to be desired.

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They propose a joint team approach (although [] is the prime contractor) in which Phase I will be managed by [] with [] co-manager and [] managing Phase II and SRI as co-manager. [] of course, is one of the best known research firms and enjoy an excellent international reputation. Affiliated with [] the firm has successfully completed many research projects for U.S. government (60%, most of which is DOD) and private firms. The quality of its personnel, of course, is of the highest order.

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[] is the chief architect of the Intelligence Data Handling System (IDHS) in use by the Production Center. Several of [] personnel started the firm after having worked with [] on the Minicard system. The firm has been in the business of handling non-digital information for some time and the quality of its personnel and their experience could help us tremendously.

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[] systems engineer, has extensive experience in design of data handling equipment including the design and manufacture of graphic-communications equipment for [] did all the original programs used on the Minicard duplicator and the Minicard Document Data Processing set. [] systems analyst, has been working in document storage and retrieval for several years. While in the Navy he was the Atlantic Commands' Intelligence Librarian and Assistant Intelligence

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Data Processing Coordinator. In addition, [] was a curator of maps at the University of Kansas, knows the "map problem" and has published in the field.

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[] also has engineers that have worked on Minicard and thus would have a healthy appreciation (including costs) for our non-digitally stored data. The firm's multi-format or large format approach is an excellent one and includes magnetic as well as optical recording and reproduction systems.

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In summary, [] in bringing in a firm of the caliber of the [] [] has upgraded immeasurably their technical know-how of non-digital data systems. This, plus their experience with IDHS and other systems, assures [] of being considered as one of the top contenders for the engineering and production of materials handling equipment.

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7. [] - Overall poor understanding of the problem (or at least poor presentation of it). Their effort on [] (which is experiencing difficulty) and their recommendations to look at [] media system leaves much for serious consideration.

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[] is hardware oriented, having successfully completed numerous government contracts, mostly in laboratory equipment. They are one of the largest custom automatic film processor and TV camera mount manufacturers. [] proposes to sub-contract all software out to Programming Services, Inc., a small and recently organized (1965) software firm. Members of [] have worked for OCR/CIA on [] (and then resigned to form []). Various reports put out by this group are in our files and concern OCR's microfilm storage, indexing requirements, file retirement, including records in the Special Register, FBIS Daily Report production by means of computer techniques, etc..

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[] proposes a system similar to the AF SCRAM system, an [] design. Called SRM, Storage and Retrieval Module, this system is composed of, essentially, a 70 x 100 mm chip or "unit record" stored in large repositories replete with its own internal logic; a unit-record printer; a processor, etc.. There is no doubt that [] is basing their proposal on this system, since they suggest that, while Phase III - Implementation - is not a part of the proposal, it would be of considerable value to NPIC to have the [] project team provide the "technical planning and implementation of the final system."

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Phase I is to be completed in six months. After NPIC acceptance of Phase I, Phase II would be completed in 12 months.

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SECRETNPIC/IPD-105/67
20 March 1967

MEMORANDUM FOR: Assistant for Technical Development, NPIC

ATTENTION:

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THROUGH:

Chief, Information Processing Division, NPIC
Chief, Systems Branch, IPD, NPIC *jm*

SUBJECT:

Review of Materials Handling Study Proposals

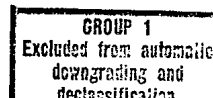
1. This was an interesting exercise, however, one I would not care to perform very often. In reviewing the various proposals, I found it difficult to remain completely objective in assessing point values to the checklist items. The primary reason was because I realized that the responding firms possessed varying degrees of cognizance regarding NPIC operations; and, therefore, their ability to outline a technical approach to the development objective varied accordingly. I realized also that some companies were fortunate in having better proposal writers than others--and therefore my reactions to the various styles of presentation had to be tempered accordingly. Another factor (which bothered me to some degree) was that I had personal knowledge of only one of the responding companies prior performance record- (In their case, the record was good; however, their proposal did not come up to my expectations.)

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2. Withstanding the above, I have attempted to perform a fair evaluation and have ranked the responding firms as indicated below:

- a.
- b.
- c.
- d.
- e.
- f.

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SUBJECT: Review of Materials Handling Study Proposals

3. As a suggestion for the future, I would recommend establishing certain standard submission requirements for proposal content which would facilitate more direct comparisons of approach, effort, dollars, etc. between companies who respond. Listed below are examples of items that might be considered:

a. Identification of complete labor costs by category and rate. (The same to apply to costing of sub-contract(s), if applicable.)

b. Use of a standard contract pricing proposal form for submission of the above.

c. Use of a standard outline (guide) for preparation of the proposal content to include both an overview approach as well as a detailed outline of the proposed technical effort.

4. Attachment 1 is a copy of the completed Technical Evaluation Worksheet provided by your office. Attachment 2 contains pertinent comments applicable to each of the proposals reviewed.

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Systems Branch, IPD

Attachment: a/s

Distribution:

Orig - Addressee (w/att)

3 - IPD/SYB (w/att)

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TECHNICAL EVALUATION WORKSHEET - MATERIALS HANDLING STUDY

INSTRUCTIONS: Grade each proposal in terms of the major items listed below, giving consideration to ideas such as those in the sub-paragraphs. Grade each major item 1 through 5 based on (1) Unsatisfactory; (2) Poor; (3) Average; (4) Very Good; (5) Excellent.

1. UNDERSTANDING OF PROBLEM: Level of comprehension of the problem areas as defined in the Development Objective (2.1, 2.2, 2.3).	5		4		5	3			4	5		4
2. SOUNDNESS OF APPROACH: Technical quality of their approach - does it appear to fill the operational voids - how specific does the approach relate to NPIC problems.	4		4		5	3			5	5		3
3. COMPLIANCE WITH REQUIREMENTS: Does the proposal comply with the requirements as defined in the Development Objective (4.0).	4		3		5	4			4	5		4
4. SPECIAL FACTORS: Identification and solutions of Phase I and Phase II - does the bidder realize the possibility or existence of interface with other programs - is the level of effort commensurate with time estimates does the proposal cover the alternative method approach of conceptual design in Phase I and detailed system configuration in Phase II.	(a) 5		3		5	1			4	5		3
	(b) 3		4		3	3			3	5		2
	(c) 4		4		5	3			5	5		3
5. NARRATIVE:												

* TOTALS

25 22 28 17 25 30 19

In addition to the above ratings, it is requested a comprehensive paragraph (s) be submitted on each proposal covering details of the major items, relative importance of the major problems as seen by the evaluator and how the bidder proposes to handle them, any knowledge of the company such as past contracts, competence of proposed personnel, program management, overrun history, consultants, sub-contractors, etc. Generally, any information you wish to submit not covered above.

(* NOTE: Ratings under Special Factors (4) - were sub-divided as indicated by "a - b - c")

SECRETTechnical Evaluation -- Materials Handling Study

Narrative comments applicable to proposals reviewed:

1. [] - I have personal knowledge of the type of performance we can expect from [] due to my association with the IIS program currently under contract to them. To date I have found them well-qualified, competent, and dependable. (In terms of this proposal, however, I must admit that their effort did not measure up to the standards I had expected.) Other considerations are listed below.

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a. [] investigative role in Phase I, of the IIS, enabled them to obtain a detailed knowledge of internal NPIC operation and associated external interfaces.

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b. Their current role in Phase II, of the IIS, has further expanded the above knowledge and, in addition, kept them abreast of subsequent changes and future plans for Center operation.

c. There is little doubt that the IIS must interface with the Materials Handling project and, in this regard, [] is very cognizant of the "how" and "where."

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d. Security considerations. [] already possesses an accredited T-KH facility at their [] location--also many of the people who would be involved in the Materials Handling Study already possess required security clearances.

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2. []

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a. I wish all proposals were as concise as this one. Considering that the [] proposal was based solely on facts outlined in the NPIC Development Objective, they did a fine job of outlining a technical approach to problem solution.

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b. In terms of compliance with the Development Objective requirements, they did not observe the one in paragraph 5.2.1 regarding submission of the first Phase I report (NPIC Analysis) within three months. (In retrospect, one could interpret the Development Objective wording to mean: "Don't submit the first report until at least three months of work has been accomplished on the investigative analysis of NPIC operations.")

ATTACHMENT 2

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2. [] (cont.)

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c. In explaining their approach to problem solution, [] did not provide very much detail. From what they have outlined, however, I would judge that they could do so (without difficulty) if they possessed more of the details concerning NPIC activities.

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3. [] - This company has cognizance of the nature and scope of NPIC operations. Their proposal is complete, well-organized, and provides an option for the reader to obtain an over-view or a detailed look at their approach to problem solution. Other considerations are as follows:

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a. This company has not only presented a good case but (if I interpret their proposal correctly) they have also outlined a proposed personnel organizational structure to accomplish the tasks involved. A comparison of the task areas identified, with the background experience of the individuals named, reflects a good matching of experience to the tasks to be performed.

b. [] covers the "conflict of interest" consideration by reference to their participation in other successful study programs in which the "objectivity of the results dispelled any doubts by the contracting agency." If we assume this to be true--then certainly their expertise in the equipment area could be beneficial to the fulfillment of our Development Objective.

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4. [] - This proposal left me cold! It was sadly lacking, in terms of organization and content, and I was left with the impression that their only goal in this exercise was to meet the weight criteria. If you search carefully through the 1 1/2 inches of paper, the minimum criteria for satisfaction of our RFP can be found; however, without other specific knowledge of very high level past performance, I would not even consider them for this project. Other considerations are as follows:

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a. This proposal package is so heavily equipment oriented it would be difficult for me to believe any study they authored could remain "objective." (e.g., Their proposed Program Manager, [] is the Manager of Product Planning under marketing of the []

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b. The proposal content, in terms of personnel resumes, would indicate that they have a fine group of writers and inventors. Perhaps they could do an outstanding job of systems analysis--between publications.

4. [] (cont.)

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c. In development of cost estimates, I note that they have categorized their costs for Phase I, however, have apparently pulled a comfortable figure of [] for Phase II. If they were able to outline a schedule for completion of Phase II, they could also have itemized their costs as well.

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5. [] - This is a well-organized proposal and their approach to problem solution is excellent. Other considerations are as follows:

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a. The location of substantial [] facilities in the local area is attractive in terms of the relative ease of project team contact during the early investigative phases of contract performance.

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b. Both participating companies give evidence of possessing considerable technical experience and background in the areas under investigation.

6. [] - This company excelled in the preparation of their proposal. As in the case of [] they gave the reader an option of obtaining a condensed over-view or a detailed, well-organized approach in depth to the problem analysis/review/solution cycle. Other pertinent comments are as follows:

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a. [] gave evidence of having comprehensive knowledge of NPIC internal/external operations.

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b. They made firm commitments concerning project personnel to be assigned to this effort, and a review of resumes included indicated a sound matching of experience with the tasks involved.

c. There appears to be no conflict of interest problems with regard to hardware considerations.

d. [] proposed use of INFLO techniques, standardized methods of data collection, establishment and control of centralized project files, and techniques for correlation of study efforts were impressive and reflect use of sound project management techniques.

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7. [] - This corporation made it very apparent that they had full cognizance of NPIC operations--in depth. I was unimpressed however with the personal familiarity expressed in their cover letter, and of their casual references to building and personnel deficiencies in paragraphs 2.2.1 and 2.2.3. Other comments are as follows:

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7. (cont.)

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a. Their location in the Washington, D. C. area is attractive in terms of enhancing customer/project team coordination throughout the period of contract performance.

b. They made firm commitments concerning the names of project personnel assigned to this effort; however, I found no correlation between the man-hour estimates reflected in the proposal on page 8-2 and those contained in their Cost Summary estimates.

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